

The Honorable Michelle L. Peterson

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

O'DONNELL/SALVATORI, INC., an Illinois
corporation,

Plaintiff/Counterclaim
Defendant,

v.

MICROSOFT CORPORATION, a Washington
corporation,

Defendant/Counterclaim
Plaintiff.

NO. 2:20-cv-00882-MLP

**DECLARATION OF MARK
LAWRENCE LORBIECKI IN
SUPPORT OF
PLAINTIFF/COUNTERCLAIM
DEFENDANT
O'DONNELL/SALVATORI, INC.'S
MOTION TO REMAND CASE TO
KING COUNTY SUPERIOR COURT**

**NOTED ON MOTION CALENDAR:
July 10, 2020**

I, Mark Lawrence Lorbiecki, declare as follows:

1. I am an attorney of record for Plaintiff/Counterclaim Defendant O'Donnell/Salvatori, Inc. ("ODS") in the above-entitled action. I make this declaration based on personal knowledge, am over the age of 18 and competent to testify.

2. I have been the lead counsel for the plaintiff in this matter from before its filing with the King County Superior Court and am aware of every document filed both in the King County and the Western District of Washington cases relating to the instant causes of action. At no time has the plaintiff made any assertion of ownership of any of the Halo soundtracks which

DECLARATION OF MARK LAWRENCE LORBIECKI IN
SUPPORT OF PLAINTIFF/COUNTERCLAIM DEFENDANT
O'DONNELL/SALVATORI, INC.'S MOTION TO REMAND CASE
TO KING COUNTY SUPERIOR COURT - 1
(2:20-cv-00882-MLP)

Williams, Kastner & Gibbs PLLC
601 Union Street, Suite 4100
Seattle, WA 98101-2380
(206) 628-6600

1 are the subject matter of the Independent Contractor Agreement and the five amendments thereto
 2 attached to the Complaint in this matter.

3 3. Attached as **Exhibit A** is a true and correct copy of an email from Ambika Doran
 4 on behalf of Microsoft reporting the extinguishing of obligations to respond to either of
 5 Plaintiff's discovery requests and to reply to Plaintiff's response to Microsoft Corporation's
 6 Partial Motion to Dismiss Under CR 12(b)(6) referred to in Exhibit B.

7 4. Attached as **Exhibit B** is a true and correct copy of the Declaration of Ambika
 8 Doran in Support of Defendant Microsoft Corporation's Partial Motion to Dismiss Under
 9 CR 12(b)(6) with its Exhibit 1 (Confirmatory Work-Made-for-Hire and Backup Assignment
 10 Agreement between O'Donnell/Salvatori, Inc., Martin O'Donnell, Michael Salvatori, and
 11 Microsoft Corporation on December 14, 2005), which was filed on May 12, 2020 in
 12 *O'Donnell/Salvatori, Inc. v. Microsoft Corporation*, King County Superior Court, No. 20-2-
 13 06053-4-SEA. The document is either of an acknowledgement Microsoft's ownership of or an
 14 unconditional assignment of all ownership rights in the Halo soundtracks to Microsoft.

15 5. Attached as **Exhibit C** hereto is a true and correct copy of an Order Granting
 16 Motion to Remand (Dkt. 43) entered in *Steven Trubow, et al. v. Donald Morisky, et al.*, United
 17 States District Court, Western District of Washington, Case No. 2:19-cv-01670-RAJ on
 18 March 26, 2020.

19 6. Attached as **Exhibit D** hereto is a true and correct copy of the docket at the time
 20 of removal for *O'Donnell/Salvatori, Inc. v. Microsoft Corporation*, King County Superior Court,
 21 Case No. 20-2-06053-4.

22 7. Attached as **Exhibit E** hereto is a true and correct copy of an Order Granting
 23 Plaintiff's Motion to *Ex Parte* Order to Compel Compliance and for Sanctions (Dkt. 251) entered
 24
 25

DECLARATION OF MARK LAWRENCE LORBIECKI IN
 SUPPORT OF PLAINTIFF/COUNTERCLAIM DEFENDANT
 O'DONNELL/SALVATORI, INC.'S MOTION TO REMAND CASE
 TO KING COUNTY SUPERIOR COURT - 2
 (2:20-cv-00882-MLP)

Williams, Kastner & Gibbs PLLC
 601 Union Street, Suite 4100
 Seattle, WA 98101-2380
 (206) 628-6600

1 in *LVB-Ogden Marketing, LLC v. David S. Bingham, et al.*, United States District Court, Western
2 District of Washington, Case No. 2:18-cv-00243-TSZ on January 13, 2019.

3
4 THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF MY
5 KNOWLEDGE, SO STATED UNDER PENALTY OF PERJURY FOR THE STATE OF
6 WASHINGTON AND THE UNITED STATES OF AMERICA.

7 DATED this 18th day of June, 2020, at Seattle, Washington.

8 s/ Mark Lawrence Lorbiecki

9 Mark Lawrence Lorbiecki, WSBA # 16796
10 **WILLIAMS, KASTNER & GIBBS PLLC**
601 Union Street, Suite 4100
Seattle, WA 98101-2380
11 Tel: (206) 628-6600
Fax: (206) 628-6611
12 Email: mlorbiecki@williamkastner.com

13 *Attorneys for Plaintiff/Counterclaim*
14 *Defendant O'Donnell/Salvatori, Inc.*

15
16
17
18
19
20
21
22
23
24
25
DECLARATION OF MARK LAWRENCE LORBIECKI IN
SUPPORT OF PLAINTIFF/COUNTERCLAIM DEFENDANT
O'DONNELL/SALVATORI, INC.'S MOTION TO REMAND CASE
TO KING COUNTY SUPERIOR COURT - 3
(2:20-cv-00882-MLP)

Williams, Kastner & Gibbs PLLC
601 Union Street, Suite 4100
Seattle, WA 98101-2380
(206) 628-6600

CERTIFICATE OF SERVICE

I hereby certify under penalty of perjury under the laws of the State of Washington that I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send electronic notification of such filing to all CM/ECF participants.

DATED this 18th day of June, 2020.

s/ Mark Lawrence Lorbiecki
Mark Lawrence Lorbiecki, WSBA # 16796

DECLARATION OF MARK LAWRENCE LORBIECKI IN
SUPPORT OF PLAINTIFF/COUNTERCLAIM DEFENDANT
O'DONNELL/SALVATORI, INC.'S MOTION TO REMAND CASE
TO KING COUNTY SUPERIOR COURT - 4
(2:20-cv-00882-MLP)

Williams, Kastner & Gibbs PLLC
601 Union Street, Suite 4100
Seattle, WA 98101-2380
(206) 628-6600

Exhibit A

Lorbiecki, Mark

From: Doran, Ambika <AmbikaDoran@dwt.com>
Sent: Wednesday, June 10, 2020 3:38 PM
To: Lorbiecki, Mark; Tom Buscaglia
Cc: Smith, Lesley; Li, Xiang
Subject: ODS v. Microsoft - effect of removal

Mark and Tom,

As you know, Microsoft filed an answer and counterclaim and notice of removal on Monday. That means the Superior Court no longer has jurisdiction to decide any pending motions, including Microsoft's partial motion to dismiss and your motion to seal. In addition, the federal rules "apply to stay and void any discovery requests served and pending in state court, but not yet due." *Bridgham-Morrison v. Nat'l Gen. Assurance Co.*, 2015 WL 12712762, at *3 (W.D. Wash. Nov. 16, 2015). Accordingly, the discovery requests served by Microsoft and by ODS are moot and discovery will need to be served under the federal rules. We will not expect any responses from ODS on our discovery requests, and you should not expect our responses to your requests.

Please let us know if you wish to discuss any of this.

Regards,
Ambika

Ambika Kumar Doran | Davis Wright Tremaine LLP
920 Fifth Avenue, Suite 3300 | Seattle, WA 98104
Tel: (206) 757-8030 | Fax: (206) 757-7030 | Mobile: (206) 356-0397
Email: ambikadoran@dwt.com | Website: www.dwt.com
Bio: <https://www.dwt.com/people/d/doran-ambika-kumar>
Anchorage | Bellevue | Los Angeles | New York | Portland | San Francisco | Seattle | Shanghai | Washington, D.C.

Exhibit B

The Honorable Johanna Bender
Noted for Hearing: June 12, 2020, 9:00 a.m.
With Oral Argument

SUPERIOR COURT OF THE STATE OF WASHINGTON
KING COUNTY

O'DONNELL/SALVATORI, INC., an Illinois
corporation,

Plaintiff,

v.

MICROSOFT CORPORATION, a Washington
corporation,

Defendant.

No. 20-2-06053-4-SEA

DECLARATION OF AMBIKA
DORAN IN SUPPORT OF
DEFENDANT MICROSOFT
CORPORATION'S PARTIAL
MOTION TO DISMISS UNDER
CR 12(b)(6)

I, Ambika K. Doran, declare:

1. I am a partner in the law firm Davis Wright Tremaine LLP and counsel of record for Defendant Microsoft Corporation in this matter. I make this declaration from personal knowledge and a review of the files and records in this matter.

2. Attached as Exhibit 1 is a true and correct copy of the 2005 "Confirmatory Work-Made-for-Hire and Backup Assignment Agreement."

I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

DATED this 12th day of May, 2020.

s/Ambika K. Doran

Ambika K. Doran, WSBA #38237

CERTIFICATE OF SERVICE

I certify under penalty of perjury under the laws of the State of Washington that I caused the document to which this certificate is attached to be delivered to the following as follows:

Mark Lawrence Lorbiecki, WSBA #16796 Via King County E-Service & Email
Daniel A. Brown, WSBA #22028
Williams, Kastner & Gibbs PLLC
601 Union Street, Suite 4100
Seattle, WA 98101-2380
Email: mlorbiecki@williamskastner.com
dbrown@williamskastner.com

Thomas H. Buscaglia, WSBA #40305 Via Email
The Game Attorney, PC
23133 Vashon Highway SW
Vashon, WA 98070
Email: thb@gameattorney.com

Attorneys for Plaintiff

DATED this 12th day of May, 2020.

By s/ Lesley Smith
Lesley Smith

EXHIBIT 1

ORIGINAL

Deal Point No.: 196018**CONFIRMATORY WORK-MADE-FOR-HIRE AND BACKUP ASSIGNMENT AGREEMENT**

This Confirmatory Work-Made-For-Hire and Backup Assignment Agreement ("Agreement") is made as of this December 14th, 2005 by and among O'Donnell/Salvatori, Inc., a corporation organized under the laws of the State of Illinois with offices located at 4 Ellyn Court, Glen Ellyn, IL 60137 ("Assignor"), Martin O'Donnell and Michael Salvatori (jointly and severally, "Writers"), and Microsoft Corporation, a corporation organized under the laws of the State of Washington with offices located at One Microsoft Way, Redmond, WA 98052 ("Assignee").

For valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

WHEREAS, Assignor and Assignee have previously entered into an Independent Contractor Agreement dated August 28, 2002 (such agreement, as amended, including the First Amendment and the Second Amendment, is hereinafter referred to as the "ICA"), whereby Assignor agreed, accepted and acknowledged that the Soundtrack (as defined in the ICA) and all musical compositions, sound recordings, demos, outtakes, and derivative works of any and all of the foregoing, and all other materials and work product that have been, or may in the future be, produced by Assignor under the ICA, including without limitation in connection with the Game (as defined in the ICA), and all underlying elements and versions thereof, and all works of authorship of whatever kind and nature contained therein that are created in whole or in part by Assignor and/or Writers in connection therewith, including without limitation the musical compositions and corresponding sound recordings identified on the attached Schedule A (all of the foregoing, including without limitation the Soundtrack, are collectively referred to hereinafter as the "WORK") shall be deemed a work made for hire, and, to the extent that the WORK (or any portion thereof) for any reason does not qualify as a work made for hire under applicable law, then Assignor assigned all of its rights, titles, interests and ownership in and to the WORK to Assignee;

WHEREAS, Assignor and Assignee hereby desire to confirm and clarify their original intent that the WORK is and shall be deemed a work made for hire by Assignor for Assignee, and, to the extent that the WORK does not qualify as a work made for hire under applicable law, then the WORK is and shall be deemed to have been assigned to Assignee by Assignor pursuant to the terms of the ICA, as confirmed herein below; and

WHEREAS, the parties to this Agreement, in order to avoid any confusion or ambiguity that may exist, wish to confirm that the ICA, together with this Agreement, supersedes and replaces any and all other agreements between Assignor, the Writers and/or any of their affiliates or predecessors in interest, on the one hand, and Assignee and/or any of its affiliates or predecessors in interest, on the other, which other agreements shall hereafter be deemed null and void;

THEREFORE, for good and valuable consideration, the parties agree as follows:

1. Without limiting the generality of the provisions of the ICA, and notwithstanding anything to the contrary contained in any agreement between Assignor, the Writers and/or any of their predecessors in interest, on the one hand, and Assignee and/or any of its predecessors in interest, on the other, Assignor, the Writers and Assignee hereby confirm their original intent that the WORK shall be deemed a "work made for hire" (within the meaning of the United States Copyright Act, as amended, 17 U.S.C. §§ 101, *et seq.*) for Assignee. Assignor and the Writers agree that Assignee shall be deemed for all purposes to be the author of the WORK from the moment of creation and shall own all rights, title and interests therein (including, without limitation, all copyrights and all renewals and extensions thereof) and the exclusive right, throughout the universe in perpetuity, to distribute, perform, exhibit and otherwise use and exploit

any and all such rights in any and all media and by any and all methods now known or hereafter devised. Without limiting the generality of the foregoing, Assignor and the Writers agree that Assignee shall own and be exclusively entitled to all works based upon, derived from, or incorporating the WORK, and in and to all income, royalties, damages, claims and payments now or hereafter due or payable with respect thereto, and in and to all causes of action, either in law or in equity for past, present, or future infringement based on the copyrights in and to the WORK, and in and to all rights corresponding to the foregoing throughout the universe. If the WORK or any portion thereof does not qualify as a work made for hire for Assignee under applicable law, then Assignor and the Writers hereby confirm that they have irrevocably transferred and assigned to Assignee, and confirm that they further agree to transfer and assign to Assignee, throughout the universe and in perpetuity, all of their rights, title and interests in and to the WORK, or the applicable portion thereof, and Assignor and the Writers confirm their acknowledgement and agreement that they shall hold no right, title, or interest whatsoever in or to the WORK. To the fullest extent allowable under any and all applicable laws, Assignor and the Writers hereby irrevocably waive or assign to Assignee Assignor's so-called "moral rights" or "droit moral." Assignor and the Writers acknowledge and agree that any and all transfers, assignments and grants of rights made hereunder are made without reservation, condition or limitation, that the rights granted herein include, without limitation, so-called rental and lending rights. Without limiting the generality of the foregoing provisions of this paragraph, Assignor warrants and represents that each and every person or entity engaged by or on behalf of Assignor to contribute to the WORK has been or shall be either (i) a bona fide employee of Assignor working within the scope of his or her employment or (ii) an independent contractor that has signed a legally binding work-for-hire and backup assignment agreement transferring all of such person's or entity's rights to Assignor, such that Assignor is fully entitled to transfer and convey to Assignee all of the rights specified in the foregoing provisions of this paragraph.

2. Assignee, Assignor and Writers further confirm and agree that any and all royalties, payments and compensation due to Assignor and/or Writers shall be solely as set forth in the ICA and, without limiting the generality of the foregoing, except as may otherwise be subsequently agreed to in writing by the parties, no additional royalties, payments or compensation will be due and payable to Assignor and/or Writers for WORK associated with or related to the Game. Nothing herein is intended to limit any further compensation as may be subsequently agreed upon by the parties in writing.

3. This Agreement is in no way intended to limit or interfere with any of the rights to which Assignee is entitled under U.S. Copyright law (including without limitation the "work-made-for-hire" doctrine) with respect to the services of any bona fide employee.

In witness whereof, the parties have executed this Agreement, effective this 14th day of December, 2005.

O'Donnell/Salvatori, Inc.

By: MICHAEL SALVATORI

Title: VICE PRESIDENT

Microsoft Corporation

By: [Signature]

Title: STUDIO LEAD

[Signature]
Martin O'Donnell, an individual

[Signature]
Michael Salvatori, an individual

Schedule A

I. Halo Works

Opening Suite
Truth And Reconciliation Suite
Brothers In Arms
Enough Dead Heroes
Perilous Journey
A Walk In The Woods
Ambient Wonder
The Gun Pointed At The Head Of The Universe
Trace Amounts
Under Cover Of Night
What Once Was Lost
Lament For Pvt. Jenkins
Devils... Monsters...
Covenant Dance
Alien Corridors
Rock Anthem For Saving The World
The Maw
Drumrun
On A Pale Horse
Perchance To Dream
Library Suite
The Long Run
Suite Autumn
Shadows
Dust And Echoes
Halo

II. Halo 2 Works

Halo Theme Mjolnir Mix
Peril
Ghosts or Reach
Heretic, Hero
Flawed Legacy
Impend
Ancient Machine
In Amber Clad
The Last Spartan
Orbit of Glass
Heavy Price Paid
Earth City
High Charity
Remembrance
Groove 1
Dream
Menace
Bad Dream
Bomay
Afro Perc
Mil Perc
Lo Pulse
Pulse Jig

Hope
Drums
Groove 3
Dirge
Rhythm Shad
Backrhodes
Borealis
Flashback
Helium Queen
Ionizer
Spook 1
Spook 2
Spook 3
Spook 4
Spook 5
Confused
Glue
Hi moans
Lo moans
More Strings
New Chant
Sad Strings
Driven
Stingers
Underwater
Women Choir
Battle End
Heat
Sad Fanfare
Sad Vox Strings
Slow Heat
Slow String Thing

Exhibit C

The Honorable Richard A. Jones

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

STEVEN TRUBOW, an individual, MMAS
RESEARCH, LLC, a Washington limited
liability company

Plaintiffs,

v.

DONALD MORISKY and SUSAN
MORISKY, husband and wife, PHILLIP
MORISKY, an individual, MARTY
MORISKY, an individual, and MORISKY
MEDICATION ADHERENCE
RESEARCH, LLC, a Nevada limited liability
company.

Defendants.

No. 2:19-cv-01670-RAJ

**ORDER GRANTING
MOTION TO REMAND**

This matter is before the Court on Plaintiffs' motion to remand. Dkt. # 15.
Having considered the submissions of the parties, the relevant portions of the record,
and the applicable law, the Court finds that oral argument is unnecessary. For the
reasons stated below, Plaintiffs' motion is **GRANTED**. Dkt. # 15.

I. BACKGROUND

This case involves a dispute between members of a Washington limited liability company, MMAS Research LLC (“MMAS Research”). Dkt. # 1-1. Plaintiff Steven Trubow and Defendant Donald Morisky were each members of MMAS Research. According to Plaintiffs, MMAS Research “licensed the copyrights and trademarks known as the Morisky Widget, MMAS-8, MMAS-4, the Morisky Mediation Adherence Scale and the Morisky Medication Adherence Protocol.” Dkt. # 1-1 at ¶ 2. In June 2019, Mr. Morisky purportedly withdrew as a member of MMAS Research and gave up his 50% ownership rights in the Morisky Widget. Dkt. # 1-2 at ¶ 22. Mr. Morisky also formed a new Nevada LLC, Morisky Medication Adherence Research, LLC (“MMAR”). Dkt. # 1-1 at ¶ 17.

On July 27, 2019, MMAS Research and Plaintiff Trubow filed suit in King County Superior Court, alleging breach of fiduciary duty and tortious interference claims and seeking injunctive and declaratory relief. Dkt. # 1-1. Defendants Donald and Susan Morisky and MMAR were served with the complaint on August 7, 2019. Dkt. ## 14-41, 14-42. The parties proceeded to litigate the case in state court for the next three months. Defendants filed a motion for a protective order, which was denied, and a motion to dismiss Defendant Susan Morisky for lack of personal jurisdiction. Dkt. ## 14-15, 14-27. The state court reserved ruling on the motion to dismiss pending additional discovery. Dkt. ## 14-39, 14-40.

On October 10, 2019, Plaintiffs filed a motion for entry of default, because Defendants Donald and Susan Morisky had not filed an answer to the complaint. Dkt. # 14-45. In response, the Moriskys filed an answer and asserted federal copyright and trademark counterclaims. Dkt. # 1-2. On October 17, 2019, the Moriskys also filed a notice of removal with this Court. Dkt. # 1. Defendants argue that their federal copyright and trademark counterclaims raise a federal question under 28 U.S.C. § 1331. Plaintiffs now move to remand. Dkt. # 15.

II. DISCUSSION

A. Timeliness of Removal

A defendant may remove a civil action filed in state court if the action could have originally been filed in federal court. 28 U.S.C. § 1441. “Federal courts are courts of limited jurisdiction.” *Heacock v. Rolling Frito-Lay Sales, LP*, No. C16-0829-JCC, 2016 WL 4009849, at *1 (W.D. Wash. July 27, 2016). A district court has “original jurisdiction” over “all civil actions arising under the Constitution, laws, or treaties of the United States.” See 28 U.S.C. § 1331.

Section 1454 of Title 28 provides an independent additional avenue of removal. That section allows removal of any “civil action in which any party asserts a claim for relief arising under any Act of Congress relating to patents, plant variety protection, or copyrights . . .” 28 U.S.C. § 1454. This provision was “intended to provide federal courts . . . with a broader range of jurisdiction; that is, with jurisdiction over claims arising under the patent [or copyright] laws even when asserted in counterclaims, rather than in an original complaint.” *Vermont v. MPHJ Tech. Investments, LLC*, 803 F.3d 635, 644 (Fed. Cir. 2015) (emphasis in original). Courts resolve doubts about a federal court’s limited jurisdiction against the exercise of jurisdiction. *Luther v. Countrywide Home Loans Servicing LP*, 533 F.3d 1031, 1034 (9th Cir. 2008) (“A defendant seeking removal has the burden to establish that removal is proper and any doubt is resolved against removability.”).

Although Plaintiff’s complaint alleges only state law claims, Defendants argue that their federal counterclaims confer federal jurisdiction over this matter. The Court need not consider whether this case raises a federal question, however, because Defendants’ removal was untimely. Under either removal statute, Defendants’ removal must still comply with § 1446(b), which requires defendants to remove state-court actions to federal court within thirty days of receiving an initial pleading or other document that reveals a basis for removal. *Jordan v. Nationstar Mortg. LLC*, 781 F.3d

1 1178, 1179 (9th Cir. 2015). In this case, Defendants filed their notice of removal more
2 than thirty days after service of Plaintiffs’ complaint. However, Defendants argue that
3 it was not until they received Plaintiffs’ August 27, 2019 discovery request that they
4 identified a basis for removal, and that they promptly moved to remove the action to
5 federal court (albeit still three weeks late). Dkt. # 27 at 7.

6 Here, the primary dispute centers around Plaintiffs’ definition of the “Morisky
7 Widget.” In the complaint, Plaintiffs alleged “MMAS Research has the legal authority
8 to license to third parties all of the copyrights and trademarks registered or referred to
9 as: the Morisky Widget, MMAS-8 (for derivative electronic works), MMAS-4, the
10 Morisky Medication Adherence Scale, and the Morisky Medication Adherence
11 Protocol.” Dkt. # 1-1 at ¶ 11. Defendants argue, however, that a subsequent discovery
12 request materially altered the definition of Morisky Widget. Specifically, Plaintiffs’
13 August 27, 2019 discovery request defined Morisky Widget as:

14 The term ‘Morisky Widget’ means the copyrights and trademarks referred
15 to as: the Morisky Widget, MMAS-8, MMAS-4, the Morisky Medication
16 Adherence Scale, and the Morisky Medication Adherence Protocol and any
17 related intellectual property, including both registered and unregistered
copyrights and trademarks, derivatives, electronic applications and
software code.

18 See Dkt. #14-33 at 23. According to Defendants, this subsequent, more detailed
19 definition of “Morisky Widget” revealed for the first time the “changed definition” of
20 the Morisky Widget “hidden” in Plaintiffs’ discovery requests. Dkt. # 27 at 8.

21 The Court is unconvinced. Plaintiffs’ August discovery request did not
22 materially alter the scope of Plaintiffs’ complaint or the requested relief. Defendants
23 argue that it is only now clear that Plaintiffs seek to enjoin Defendants from the use of
24 Dr. Morisky’s intellectual property. Dkt. # 27 at 10. But Plaintiffs’ complaint
25 repeatedly references disputes relating to ownership of the Morisky intellectual
26 property. *See, e.g.* Dkt. # 1-1 ¶ 26 (“Defendant Donald Morisky, as a former member,
27 has certain ongoing debts, obligations and/or liabilities . . . including . . . the formal

1 transfer of certain ownership rights for certain intellectual property rights to MMAS
2 Research . . .”); *see also* Dkt. # 1-1 at ¶ 52 (“Plaintiff requests a speedy hearing on the
3 Court’s calendar to declare Plaintiff MMAS Research the owner of all Morisky Widget
4 and related intellectual property . . .”); Dkt. # 1-1 at 27 (Certain disputes exist between
5 the parties as to the nature and extent of Defendant Donald Morisky’s debts, obligations
6 and/or liabilities, including but not limited to: the parties respective rights to use the
7 Morisky Widget and associated intellectual property rights . . .”). Defendants’ argument
8 that they could not possibly foresee that ownership of the Morisky Widget and “related
9 intellectual property” was an issue in this case strains reason. Even if Plaintiffs did not
10 explicitly assert copyright claims, Defendants’ purported basis for removal was clearly
11 ascertainable from the complaint at the time it was filed.

12 Defendants contend that removal is timely because 28 U.S.C. § 1454(b) allows
13 an extension of the 30–day period for “cause shown.” “While there is no authority on
14 what constitutes ‘cause shown’ under 28 U.S.C. § 1454(b)(2) to extend the 30–day time
15 period to remove, at a minimum the standard imposes some burden on the removing
16 party to justify why its tardiness should be excused.” *SnoWizard, Inc. v. Andrews*, No.
17 CIV.A. 12-2796, 2013 WL 3728410, at *6 (E.D. La. July 12, 2013). Here, Defendants
18 offer no excuse for their delay in seeking removal, beyond their tenuous claim that
19 Plaintiffs’ August discovery request somehow materially altered the scope of the relief
20 requested and raised issues “arising under” federal copyright law that were previously
21 “concealed” by Plaintiffs. Dkt. # 27 at 4. As discussed above, this argument is without
22 merit. Defendants were on notice of the basis for removal when this action was initially
23 filed.¹

26 ¹ Whether Plaintiffs are actually seeking the relief Defendants claim they are seeking is
27 irrelevant. The fact remains – Defendants’ basis for removing this action to federal
court was ascertainable from the initial complaint.

1 In cases like these, it is critical that courts consistently apply the procedural
2 requirements of 28 U.S.C. § 1446 and 28 U.S.C. § 1454 to ensure that parties are not
3 permitted to manipulate these statutes to gain a tactical advantage. Because Defendants
4 have not established cause warranting their delay in filing for removal, Plaintiffs'
5 motion to remand is GRANTED.

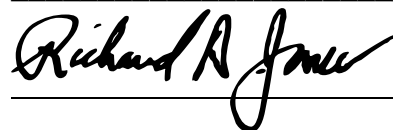
6 **B. Attorney's Fees**

7 In their motion to remand, Plaintiffs also request attorney's fees and costs due to
8 improper removal. A party may be sanctioned for its removal under 28 U.S.C. 1447(c),
9 which states, "[a]n order remanding the case may require payment of just costs and any
10 actual expenses, including attorney fees, incurred as a result of the removal." 28
11 U.S.C.A. § 1447. However, a district court "may award attorney's fees under § 1447(c)
12 only where the removing party lacked an objectively reasonable basis for seeking
13 removal." *Martin v. Franklin Capital Corp.*, 546 U.S. 132, 141 (2005). That is not the
14 case here. Because it cannot be said Defendants lacked an "objectively reasonable
15 basis" for seeking removal, Plaintiffs' request for attorney's fees and costs is DENIED.

16 **III. CONCLUSION**

17 For the foregoing reasons, Plaintiff's motion to remand is **GRANTED**. Dkt. #
18 15. This case is **REMANDED** to King County Superior Court. The Clerk of the Court
19 is directed to transmit a copy of the file to King County Superior Court.

20
21 DATED this 26th day of March, 2020.

22
23 

24 The Honorable Richard A. Jones
25 United States District Judge
26
27

Exhibit D

Date & Time Performed: Thu Jun 11 2020 10:58:45 PST
Search Title: 34102.0101: 20-2-06053-4 - WA Superior King County
Client/Matter Number: 34102.0101
Search Type: Case Number
Case Type: Civil

COURTTRAX

WA - King County Superior Court
Case #20-2-06053-4

SUMMARY**SCOMIS DATA**

(No data available)

KCSCRIPT DATA

Case: 20-2-06053-4 SEA
Case Title: O'DONNELL SALVATORI INC VS MICROSOFT CORP
Filed: 03/10/2020
Filing Type: CMP-Complaint
Cause Of Action: Commerical
Next Hearing: Motion Hearing 06/12/2020
Status: Active 03/10/2020

NAMES**SCOMIS DATA**

(No data available)

KCSCRIPT DATA

- filed on 03/10/2020

ODONNELL SALVATORI INC**Relation to Case:** Plaintiff**Represented by:** Brown, Daniel AndrewLorbiecki, Mark LawrenceBuscaglia, Thomas Harold**MICROSOFT CORP****Relation to Case:** Defendant**Represented by:** Li, XiangDoran, Ambika Kumar**SCHEDULE****SCOMIS DATA**

(No data available)

KCSCRIPT DATA**Hearings:**

<u>Date Time</u>	<u>Type</u>	<u>Location</u>	<u>Additional Info</u>	<u>Official</u>
06/12/2020 09:00 AM	Motion Hearing		DISMISS	
03/08/2021 09:00 AM	Trial Date	Courtroom W739		Judge Bender

Case Schedule - SubCase:

<u>Sub Case</u>	<u>Name</u>	<u>Due Date</u>
- COM - Commercial filed on 03/10/2020		
Filing Statement of Arbitrability		08/18/2020
Confirmation of Joinder if not subject to Arbitration		08/18/2020
Hearing Motions to Change Case Assignment Area		09/01/2020
Joint Confirmation of Trial Readiness		02/16/2021
Exchange Witness & Exhibit Lists & Documentary Exhibits		02/16/2021
Engaging in Alternative Dispute Resolution		02/08/2021
Discovery Cutoff		01/18/2021
Joint Statement of Evidence		03/01/2021
Disclosure of Possible Additional Witnesses		11/16/2020
Disclosure of Possible Primary Witnesses		10/05/2020
Trial Briefs, Proposed Findings of Fact and Conclusions of Law		03/01/2021
Hearing Dispositive Pretrial Motions		02/22/2021
Change in Trial Date		11/30/2020
Trial Date		03/08/2021
DEADLINE for Jury Demand		11/30/2020

Time Standards:

<u>Name</u>	<u>Due Date</u>	<u>Status</u>
No Activity for 12 Months	03/17/2021	Active
Missed Trial Date	04/22/2021	Completed

**DOCKET &
DOCUMENTS****Docket****KCSCRIPT DATA****Documents**

<u>Sub Number</u>	<u>Filed Date</u>	<u>Name</u>	<u>Additional Info</u>	<u>Page</u>	<u>Seal</u>
1	03/10/2020	Commercial Complaint	SEALED PER SUB 9	48	
3	03/10/2020	Case Information Cover Sheet		1	
2	03/10/2020	Order Setting Case Schedule - Civil		6	
4	03/10/2020	Summons		1	
5	03/11/2020	Summons		2	
6	03/30/2020	Affidavit / Declaration / Certificate Of Service		1	
7	03/30/2020	Notice of Appearance	OF DEF	3	
8	03/30/2020	Affidavit / Declaration / Certificate Of Service		1	
9	04/14/2020	Order Sealing Document	SUB 1 - COMPLAINT	3	
10	04/14/2020	Affidavit / Declaration / Certificate Of Service		2	
11	04/15/2020	Complaint		48	
12	04/15/2020	Notice of Association of Counsel		3	
13	05/12/2020	Notice of Hearing		2	
14	05/12/2020	Motion to Dismiss		25	
15	05/12/2020	Declaration	OF AMBIKA DORAN IN SUPPORT OF PARTIAL MOTION TO DISMISS	7	
16	05/12/2020	Affidavit / Declaration / Certificate Of Service		2	
17	06/02/2020	Response		27	
18	06/02/2020	Declaration	OF THOMAS H BUSCAGLIA IN SUPPORT OF RESPONSE TO PARTIAL MOTION TO DISMISS	15	
19	06/08/2020	Answer and Counter Claim		15	
20	06/08/2020	Joinder	IN MOTION TO SEAL	2	
21	06/08/2020	Affidavit / Declaration / Certificate Of Service		1	
22	06/09/2020	Notice	RE REMOVAL NOTICE	8	
23	06/09/2020	Affidavit / Declaration / Certificate Of Service		1	

NOTE: "The Washington State Administrative Office of the Courts and the Washington State courts do not warrant that the information is accurate or correct and deny liability for any damages resulting from the release or use of the data. In order to assure or verify the accuracy of the information or data received, the customer should personally consult the 'official' record reposing at the court of record."

End of Report

Copyright 2020 CourtTrax Corporation - info@courtrax.com

Exhibit E

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT SEATTLE

LVB-OGDEN MARKETING, LLC,

Plaintiff,

v.

DAVID S. BINGHAM, SHARON
BINGHAM, CHRISTOPHER BINGHAM,
CHERISH BINGHAM, KELLY
BINGHAM, BINGO INVESTMENTS,
LLC, CCRB ENTERPRISES, LLC, SKBB
ENTERPRISES, LLC, PARK PLACE
MOTORS, LTD., HYTECH POWER, INC.,
HENRY DEAN, in his individual capacity
and as Trustee for the SHARON GRAHAM
BINGHAM 2007 TRUST, and BGH
HOLDINGS, LLC,

Defendants.

CASE NO. 2:18-cv-00243-TSZ

**ORDER GRANTING PLAINTIFF'S
MOTION FOR *EX PARTE* ORDER
TO COMPEL COMPLIANCE AND
FOR SANCTIONS**

On January 9, 2019, the undersigned granted the motion to compel (Dkt. 178) of Plaintiff LVB-Ogden Marketing, LLC ("LVB") Dkt. 211. Pursuant to the Court's Order, Defendants David S. Bingham, Sharon Bingham, Christopher Bingham, Cherish Bingham, Kelly Bingham (the "Bingham Defendants"), Bingo Investments, LLC ("Bingo"), CCRB Enterprises, LLC ("CCRB"), SSKB Enterprises, LLC ("SSKB"), Park Place Motors, Ltd. ("Park Place"), Hytech Power, Inc. ("HTP" or "HyTech"), and Henry Dean, as Trustee for the Sharon Graham Bingham 2007 Trust ("the Trustee") were ordered, *inter alia*, to produce by January 14, 2019, complete answers to specified interrogatories and produce all non-privileged documents within their

possession, custody, or control. The Trustee was required to submit a privilege log for any documents withheld on the basis of privilege. *Id.*, ¶ 8. Defendants were also ordered to certify under penalty of perjury: (i) which email accounts were searched (and that those accounts have been preserved) and each step taken to conduct such search; (ii) the date range of such search; and (iii) that all responsive communications and documents in their possession, custody, and control have been produced. *Id.*, ¶ 11. When Defendants failed to comply with that deadline, LVB filed a motion for order requiring compliance. Dkt. 225. The Court granted the motion and again ordered the Defendants to comply with the Court's January 9, 2019 Order, this time with a deadline of January 28, 2019. Dkt. 242. LVB is again before the Court seeking an *ex parte* order compelling Defendants to comply with the undersigned's previous orders. Dkt. 248.

This motion was referred to the undersigned by the Honorable Thomas S. Zilly pursuant to 28 U.S.C. § 636(b)(1)(A) and Local Magistrate Judge's Rule MJR 3. For the reasons discussed herein, LVB's motion is **GRANTED**.

DISCUSSION

Discovery orders may be enforced against Defendants under Rule 37(b)(2)(A):

For Not Obeying a Discovery Order. If a party or a party's officer, director, or managing agent . . . fails to obey an order to provide or permit discovery, including an order under Rule 26(f), 35, or 37(a), the court where the action is pending may issue further just orders. They may include the following:

- (i) directing that the matters embraced in the order or other designated facts be taken as established for purposes of the action, as the prevailing party claims;
- (ii) prohibiting the disobedient party from supporting or opposing designated claims or defenses, or from introducing designated matters in evidence;
- (iii) striking pleadings in whole or in part;
- (iv) staying further proceedings until the order is obeyed;
- (v) dismissing the action or proceeding in whole or in part;
- (vi) rendering a default judgment against the disobedient party; or
- (vii) treating as contempt of court the failure to obey any order except an order to submit to a physical or mental examination.

1 Fed. R. Civ. P. 37(b)(2)(A). Courts routinely grant sanctions under Rule 37(b) when parties
2 repeatedly fail to comply with discovery orders. LVB contends Rules 37(b) sanctions against
3 Defendants are warranted in this case because:

4 1) The Bingham Defendants, Bingo Investments, CCRB, and SKBB did not provide
5 any further response or file any amended certifications. Dkt. 248-2, Declaration of Jonathan J.
6 Faria, ¶ 2. This is despite the Court’s ruling that the Defendants had unreasonably narrowed their
7 searches to two search terms and the Court’s Order that “all additional responsive, non-privilege
8 emails should be produced immediately” and in no event later than January 28, 2019. Dkt. 242,
9 pp. 3, 4.

10 2) Defendant HyTech was ordered to “search Mr. Dean’s email account at HyTech,
11 produce all responsive, non-privileged emails from that account and any other account that may
12 include responsive emails, and certify under penalty of perjury: (i) that the email account was
13 searched (that the account has been preserved) and each step taken to conduct such search; (ii)
14 the date range of such search; and (iii) that all responsive communications and documents in
15 HyTech’s or Mr. Dean’s possession, custody, and control have been produced.” Dkt. 242, p. 4.
16 No certification under penalty of perjury was provided. And no complete production was made.
17 Instead, HyTech unilaterally limited LVB’s requests to the year 2018 only and produced only
18 four emails. Dkt. 248-2, Faria Ex. A. It also failed to produce attachments to e-mails. *Id.*, Faria
19 Decl. ¶ 8. It also ignored the Court’s instruction about “any other account that may include
20 responsive emails” and unreasonably limited its search to just Jason Jennings and Mr. Dean,
21 when its own e-mail demonstrates that additional custodians Phil Jennings, Doug Durst, and
22 Thomas Mentele clearly have knowledge of money flowing into and out of the company, and
23

whose knowledge (or lack thereof) of transfers between HyTech and the Trust would be relevant here. *Id.*, Exs. D-G (example e-mails).

3) Defendant Henry Dean, as Trustee, also failed again to meet the Court’s January 28th deadline. Instead, LVB received an e-mail on January 28, 2019 stating, “[w]e are continuing to review the materials” (Dkt. 248-2, Faria Ex. B), along with a “privilege log”, which contains no statement or explanation of any basis for privilege for the over more than 2,000 documents the Trustee is withholding, and is limited to only one of Mr. Dean’s e-mail accounts. *See id.*, Faria Ex. C. The “log” is simply “To/From/Subject/Date” e-mail metadata extracted from the withheld emails. However, the log contains no explanation of the basis for the privilege, including emails with subject lines such as: “Pope plays Golf?,” “Stormy Daniels lawyer faces his own financial scrutiny,” “Your dog groomer?,” and “THIS NEVER HAPPENS AT MY DRY CLEANER.” *Id.* at 22, 24-25, 231. On January 29, 2019, after the Court’s deadline, Defendant Dean sent an e-mail claiming that more of the withheld e-mail was being produced.

Having reviewed LVB’s *Ex Parte* motion, the Court finds LVB has shown good cause for an order to compel compliance and for sanctions. Accordingly, the Court **ORDERS**:

1. Defendants have not fully complied with the Court’s January 9, 2019 (Dkt. 211) and January 22, 2019 (Dkt. 242) Orders and must fully comply with these Orders immediately and, in any event, not later than **Friday, February 1, 2019** by close of business. Defendants are hereby warned that failure to fully comply by **Friday, February 1, 2019** may be grounds for further sanctions, including terminating sanctions – **full compliance requires**:

- Each defendant must search for and produce all responsive documents subject to the Court’s previous orders, and certify under penalty of perjury (i) that they have done so, and (ii) describe the steps taken to confirm they have done so.
- Defendant HyTech Power must produce all e-mail attachments missing from documents previously produced, all responsive e-mail from Henry Dean’s account for

2010 to the present, and all responsive e-mail from the accounts of Phil Jennings, Doug Durst, and Thomas Mentele.

- The Trustee must produce all documents currently being withheld that do not appear on the Trustee's privilege log. The Trustee must also produce a complete privilege log for all documents being withheld, including a column explaining the subject matter of the communication and basis for withholding the document as privileged.

2. LVB's obligation to oppose any summary judgment motions in this proceeding is hereby **CONTINUED** to the later of (i) March 22, 2019 or (ii) when full compliance with this Order has been certified.

3. Monetary sanctions are hereby **ORDERED** against Defendants David Bingham, Sharon Bingham, Chris Bingham, Cherish Bingham, Kelly Bingham, Bingo Investments, CCRB Enterprises, SKBB Enterprises, HyTech Power and the SGB 2007 Trustee, or their respective counsel, in the amount of **\$1,000.00 per Defendant**, to be paid to LVB and delivered to LVB's counsel before the end of business on **Friday, February 8, 2019**. This monetary sanction is in addition to any attorney fees LVB may be awarded for bringing three motions to compel.

4. LVB's motion for an order declaring that Defendants shall be prohibited from disputing that any transfers in which they were involved were fraudulent transfers as a sanction for their repeated non-compliance with this Court's discovery orders, is **DENIED** at this time. However, should Defendants fail to comply in full with this Order, the Court will recommend terminating sanctions.

DATED this 31st day of January, 2019.



BRIAN A. TSUCHIDA
Chief United States Magistrate Judge